

**SPECIAL MEETING  
COMMITTEE ON COMMUNITY IMPROVEMENT**

**January 29, 2007**

**6:00 PM**

Chairman Garrity called the meeting to order.

The Clerk called the roll.

Present: Aldermen Garrity, O'Neil, Osborne, Gatsas, Duval

Messrs.: Frank Thomas, Roch Larochelle, Randy Sherman

Chairman Garrity addressed item 3 of the agenda:

3. Communication from Brandy Stanley, Parking Manager, requesting that funds (\$280,000) and associated expenses for Parking Facilities Improvements (CIP #710905) be separated from the Highway Department and controlled by the Parking Division.

This item had previously been addressed at the last meeting under another item and was removed from the agenda.

Chairman Garrity addressed item 4 of the agenda:

4. Chairman Garrity advised that the purpose of the special meeting was a presentation regarding the final phase of the Granite Street Project and a request for final funding in the amount of \$5,300,000.

Mr. Frank Thomas, Public Works Director, addressed the Committee stating I'd like to try to clarify some of the confusion over the Granite Street widening project, and in doing so I'd like to give a brief history to bring us up to where we are right now. In November 2004 we recommended to the CIP Committee that we break up the Granite Street widening project into three separate projects. Prior to that we had put it out to one bid, the bids came in too excessive and we only had one bidder and that was our recommendation to move forward, break it into three projects. The three projects the first two projects we were looking at finishing the design up and putting it out to bid right away that was the west side, the second project being the bridge itself over the Merrimack and a third project which would be done a

year later was the section third phase, from Commercial up to Elm Street. Back at that time in November 2004 when we were proposing that we estimated a shortfall in funding of \$2.1 million. In August of 2005 we came back to the CIP Committee because we had received the bids in for the first two projects, they were favorable bids and we were recommending to award those two projects finishing up the design for Phase III, and making it clear to the committee and ultimately the Board that if you award the first two projects you're really committing to do the third project. As a minimum up to Canal Street from Commercial, and there was a detailed explanation at that meeting in August of 2005 noting that you couldn't just stop it at Commercial Street because you had seven lanes going into four lanes at that location. As such we were recommending that to move forward with the design, come back to the Committee once we had the design and a better estimate on Phase III. At that time we did give the Committee a handout, we've given you another copy of that handout tonight, in that handout on one of the pages it showed the budget for the entire project, and at that time we were estimating a deficit of \$5,143,000. Due to the shortfall at that time there was a discussion could we cut the project back at Canal Street if we needed to, was it feasible to do that, we said it was feasible to cut it back to Canal Street because the improvements from Canal Street up to Elm Street didn't involve widening, didn't involve adding extra lanes that were more or less cosmetic type improvements and the additional lanes of traffic would be dispersed on either Canal Street or continuing forward up the street. However, we strongly recommended not to stop the project there but to continue it up to Elm Street for a few different reasons. Number one, if you stop the project at Canal Street at that time eventually I believe the City would want to make the improvements from Canal up to Elm and it would cost more. Where we are spending \$25 million or close to it for this Granite Street widening which to be the new gateway into the City you wanted to finish that last section and on top of this the State is spending another \$35 million to do their interchange project. In April of 2006 I wrote a letter to the Committee and came to the Committee. The letter I wrote was after the CIP in 2006 established the \$5.2, \$5.5 million was not identified in the CIP. In discussions it was apparent that it wasn't programmed into the CIP in 06 or FY07 because the City was actively trying to obtain federal funds to complete the project and we didn't want to allocate funds if we were looking to obtain federal funds so in that correspondence to the Committee I noted that it wasn't identified in the CIP however and we were actively working with our Congressional delegation to obtain federal funds but if a problem came up we would still need to appropriate funds to finish off the project. Moving along in August of last year we had some start ups that had to be approved to spend some of the federal funds we had for the previous projects and at that meeting in August of 2006, Alderman Gatsas asked the question what is it going to cost to complete the project. Mr. Anctil of my office responded \$5.5 million. So what we were here last week for and what we

are here tonight for is to obtain \$5.3 million to complete Phase III of the Granite Street widening project. That work would make improvements from Commercial Street up to Elm Street and a portion of those funds also provides some landscaping that would be done in actually Phase I of the contract so that we can do all of the landscaping at one time. I'll try to answer a question before it is asked. There were some discussions in the past about putting this last phase project in two parts. Get two different bids. That's typically what we call a deductible alternate, you did the entire project and you note in there to give us a price if we cut it back. The section of work has been estimated from Canal Street up to Elm Street at \$1.82 million, which is approximately a third of the entire project, the amount of \$5.3 million. I would caution about putting it out as a deductible alternate because where you have such a large amount that you are potentially deduct off a \$5.3 million bid, \$1.8 million, a contractor is going to look at it and say okay what are we sure we are going to get for a project, we going to get the section from Commercial to Canal which if I was the contractor I would try front end that section of the work, driving up those prices and ultimately if you decided to do the entire project you are going to have a greater cost to it, so I don't see an advantage to by breaking it into two phases unless you just don't want to commit to the expenditure of funds to do the work from Canal up to Elm Street. Having said that my recommendation to this Committee is again, we are looking at a total city project of pushing up to \$25 million, a state project that is part of it for \$35 million, and we have to make the improvements from Commercial to Canal Street as a minimum, I think we would be foolish if we didn't also make the improvements all the way up to Elm Street.

Alderman O'Neil stated I apologize for a lot of the confusion last week, there was a lot of confusion between Canal and Commercial Street and I know I for one wasn't always talking about the same length of the project at one point in my mind I might have been talking about Commercial but referencing Canal and vice versa so I appreciate the Director and Deputy Director spending time with me last week and Alderman Garrity was there at the same time trying to review it and they brought it down to the simplest terms. I think something that's important and I don't know if it was Frank or Kevin that said it but if we plan at some point in doing Canal to Elm it is not going to be any cheaper, this is the cheapest time to do it. So I know tonight I am ready to move forward after you have taken questions Mr. Chairman.

Alderman Osborne agreed with Mr. Thomas 100% carrying the project all the way to Elm Street stating if we didn't carry it all the way to Elm Street this \$1.82 million that its going to cost from Canal to Elm Street how much would it be a couple years from now. You have to bring all this stuff back again, you have everybody there at this time so it's a lot cheaper to get it finished.

Mr. Thomas responded that's very true, first of all you will have to pay for mobilization for the contractor to bring in his equipment and what not, and you have seen the way the cost of construction has escalated on this project alone since it first surfaced as a priority in the city, and that is why I am recommending that we should be doing it now. I'm sure you have been out on Granite Street since they've taken down the Bridge on the Everett Turnpike and you see how that whole area has opened up and if you stand out on Main Street it is the gateway to the city now and once we have finished the contract work and put in some of the amenities I think it's going to be a shame not to have those amenities or those improvements made in that section from Canal up to Elm. I think if you for whatever reason do hold off on doing those improvements I think quite frankly the public will be pushing to have those improvements made, and again in the future it will cost more money.

Alderman Gatsas asked can you tell me exactly it is very difficult to tell by these plans, because thinking about Canal to Elm Street that was just done not so many years ago, and how is the configuration going to change from where it is today for \$1.8 million because you have the bank on one side.

Mr. Thomas responded that the alignment of the road is not going to change. The area that is shaded in blue on this plan is that section you are talking about from Canal to Elm Street is not involving the adding of additional lanes, it is going to be redoing resurfacing the street, addressing the street, there's additional treatments to the sidewalk areas, planting and it is not only on the new Granite Street but also on the Old Granite Street portion there is going to be improvements made into that area so again, cosmetic type improvements, not going in building a new lane here or this and that and the signal.

Alderman Gatsas said so cosmetically the project is one third of the cost for cosmetics, which is a want and not a need.

Mr. Thomas stated it is not a need in the fact that it is not going to impact the flow the vehicular traffic, however, again I think there has been a priority set on this project from day number one where we wanted to line up an aesthetically pleasing gateway into the city so there's been certain treatments being provided in both the railing of the walls along the bridge across the Merrimack River, aesthetics with the type of lighting that's going to be used the treatment of the sidewalks in the area that needed the reconstruction work and those same flares are going to be brought up from this same section from Canal to Elm.

Alderman Gatsas asked if it wasn't true that the cosmetics that we are doing really are cosmetically done for a very few businesses that are on Old Granite Street and a bank, and their parking lot.

Mr. Thomas stated I think these cosmetic improvements are being done for everybody who is going to be driving up Granite Street, again our gateway. So it benefits everybody in the City and coming into the City.

Alderman Gatsas asked how many people know that the right that you can take on Old Granite Street brings you out to Elm Street, I don't think that anybody coming up from Nashua or Concord that are getting off on Granite Street.

Mr. Thomas stated we are not telling anybody.

Alderman Gatsas stated then cosmetically what you are doing are making it obvious for them to be there.

Mr. Thomas stated again, it's a visual impact as you are coming across the river looking towards Elm Street and the Verizon Center there and again it's not that we are going to be redoing the parking lot there, it's the sidewalk areas and the roadways themselves. I can get some more detail out, I'll be glad to call Rock Larochelle from CLD up here he can give you a very detailed explanation of the type of improvements that will be going on.

Alderman Garrity asked if from Canal to Elm included new lighting as well.

Mr. Thomas replied yes. I believe.

Alderman Gatsas stated I am looking at a third of the project, and that to me sounds like an awful lot of money to do some sidewalks, asking Mr. Thomas if they could do the resurfacing at the Highway Department. All the things that I am hearing here are not outside your realm of what you have done before at the Highway Department.

Mr. Thomas stated the special treatments on the sidewalk area are beyond us where we don't typically put in concrete.

Mr. Larochelle stated from Canal to Elm there is some of the properties along Fleet Bank were impacted, there has been some land purchased along Fleet Bank to construct the improvements in through that area. As a result there is some reconfiguration of the parking lot that has to be done, that is some of the money not all of it. There is also work up on Old Granite Street that involves relocation

of some of the utilities including gas and water line, as well as reconstruction of some of the drainage, so it's not just surfacing, there is a fair amount of sub-surface stuff that's going in as well as all the lighting and all the ornamental trees, things like that so it is not purely aesthetics there are some structural elements that go to it to carry up the theme from the rest of the project that is being constructed from the west side from South Main Street over the bridge and to carry that up to Elm. That was the inherent vision. As far as access onto Old Granite Street, I would say people who don't know that the right turn to Elm exists today aren't going to know that it is there tomorrow really. It's just going to look a little bit more appealing, as far as amenities down there and Old Granite Street. The whole intent was to reconstruct the sidewalks in through that area and also the frontage of Fleet Bank to help circulation of traffic in the parking lot onto Old Granite Street and to improve the circulation onto Elm Street as well from that parking area.

Alderman Gatsas asked what is the acquisition.

Mr. Thomas replied along the Granite Street portion in order to build wider sidewalks, the same number of lanes are going to be there but there is going to be wider sidewalks.

Alderman Gatsas stated I am still perplexed on a \$1.8 million reconfiguration of somebody's parking lot to get them to Old Granite Street; that bonding capacity of \$1.8 million can go to other projects. I don't see where that diminishes the project of it being the gateway to Elm Street. When you take a look at that area of Granite Street it's not been done that many years ago.

Mr. Thomas stated I guess we can talk about the sidewalks that's really the main thrust of what we are doing up along what you are calling the new section of Granite Street.

Chairman Garrity noted there was also going to be some trees, was that right.

Mr. Larochelle stated not through the island area actually, part of the scoping down that we had done earlier in the project to minimize impacts to that area was to eliminate the trees, from Canal to Elm, there was also concern about putting trees in the median and obstructing some of the view up to Elm Street. That also help to minimize impacts along the Fleet Bank property, or what was the Fleet Bank property. I guess the thing to look at is the sidewalks are being reconstructed in that area, but behind the sidewalks or along the sidewalks are still the utilities and the signing and that was really the purpose behind some of the right of way that was purchased to support that kind of stuff that needs to be along

side of the highway to make it safe passable and properly illuminated at night, and also in that allowed for planting of trees behind the sidewalks. There was a lot of communication that went back and forth between Fleet Bank officials and us on that as well as Planning through Bob MacKenzie's office.

Alderman Gatsas asked what the cost of the land from Fleet Bank was.

Mr. Larochelle replied about \$260,000.

Alderman Gatsas stated I find it a little hard to understand that we are spending \$1.8 million for sidewalks and trees and lighting. Cause we had some lights that we probably could have used that were in a trailer that got flooded.

Mr. Larochelle noted that there were signals being replaced as well at Elm Street with master controller and then the interconnect that goes to the other signals to make it all operate properly. Again it is all that stuff that is under the ground that you don't see, it's not just surfacing it goes well beyond that and a lot of the drainage improvements that are underground, and utilities that have to get relocated as a result of some of the roadway widening. Most of it has to do with the transition coming up off of Canal Street as a result of that there are some utilities that are being hit that we have to relocate.

Alderman Gatsas stated I don't disagree that we should be doing from Commercial to Canal, but I have a real tough time understanding trees, lighting and sidewalks for \$1.8 million from Canal to Elm on a project that was just done and maybe you can get me the history Frank of what it cost us to do, because that was a separate project from Canal to Elm, and how many years ago we did it and what it cost.

Mr. Thomas stated I can get you that and I can also if you would like have Mr. Larochelle sit down with you with a detailed set of construction plans and the engineers estimates to show you where all that money is being spent because again this is coming from our consultants that have been on the project from day number one. So again, I agree with you that was a separate project I can get you that information but if you want to see the details of where \$1.8 million is being spent I'll be glad to have Mr. Larochelle sit down with you at your convenience.

Alderman Gatsas stated I would venture to say that 80% project or 70% of that project is on the Old Granite Street side.

Mr. Larochelle stated I don't know about the percentage breakout, it is difficult to fathom, its hard even for us to grasp is that outside of the hard costs on a project like this there is a lot of soft costs. Traffic control, maintenance of an area like that through construction it becomes very costly when you have a narrow street like that, and that alone probably makes up \$400,000 in the contract. It's those kinds of things that we have to look at, it's a real project cost that has to be considered in that, it's not just multiple hard items that you can see when you are driving down the street, it takes a lot to build a project like that costs that you and I don't see.

Alderman Gatsas asked Mr. Thomas if there was a deal negotiated with the bank for the taking that we were going to do the reconstruction of this parking lot, was that part of this deal, what if we did nothing.

Mr. Larochelle stated there is really very little work being done in the parking lot. There is some curbing that's being moved around.

Mr. Thomas stated I didn't negotiate the land acquisition.

Mr. Larochelle stated we were involved in that. Something has to be done because the parking is being impacted just by virtue of the roadway work that is being in the area and then the utility work that is being done in there, so there was a need to reconfigure a portion of their parking lot, so yes.

Alderman Gatsas stated if we did nothing, no configuration, no change of sidewalks, no utility changes if we did nothing from Canal to Elm are we obligated to do something.

Mr. Larochelle replied no, but I will qualify that. If the City decides never to construct from Canal to Elm there was land that was purchased. And if this commitment by the city never to construct from Canal to Elm there is a sum of money that would have to be repaid to the project budget and that is the right of way costs that was paid. It was paid for with federal dollars and it has been reimbursed to the city since it was purchased and that money would have to be essentially given back to the state to be put back into the budget.

Alderman Gatsas stated so \$225,000. So the project instead of it being \$1.8, less the \$5.3 which would be somewhere around 3.3 it would be 3.5.



Mr. Larochelle stated that's if the state was gracious enough to actually put the money back into the budget, there are no guarantees on that. In talking with state officials and federal officials last week it is possible that that might be able to be put back into the budget and re-authorized as construction funds, however, not guaranteed.

Mr. Thomas stated first of all a preliminary design was performed. We had plans public hearing plans, that were presented to the full Board of Mayor and Aldermen. Those public hearing plans showed what was being proposed for improvements, from Main Street all the way up to Elm Street. Those public hearing plans have not been changed in the areas that we are talking about right now, there are always a minimal level of improvements or basically I call them cosmetics because you don't see any major additions of lanes and whatnot. Those public hearing plans, and the plans that were here in this aldermanic chambers presented to the Board of Mayor and Aldermen showed some taking along the bank property for the widening of sidewalks and for putting utilities in back and trees and whatnot and as part of that land had to be acquired, we had to have the plans approved before we acquired the property. We engaged the services of appraisers, we have hired consultants to go out and negotiate the best deal for us. What you are suggesting now is why do it. I think some of these questions should have been raised before if there is a concern about doing something in the area of the bank parking lot. Or in the area of Old Granite Street.

Alderman Gatsas stated if it was explained a lot differently when the project was presented to us that those amenities or the cosmetic work that you were talking about because that is an expensive facelift, if they were explained in a detailed fashion then maybe we would have understood that. But I'm saying that when you talk about Granite, from Canal to Elm, that doesn't mean Old Granite, so I think if the explanation was a little clearer maybe the understanding could have been clearer and then we could have taken at that time.

Mr. Thomas stated there was a discussion that I'm sure of that noted that there was a need to relocate the entrance into Old Granite Street as part of these improvements.

Alderman Gatsas stated the allocation of reentry is not redoing all of Old Granite Street.

Mr. Larochelle stated that's true but in order to make it work technically you did have to go up a fair amount of Old Granite Street. You ended up having to reconstruct a fair amount of it to make it work technically. When we first bid this project as a complete project the original bid that we had kicked back because it

came in expensive, the first thing that we had to do to allow federal highway to allow us to advertise the project was to secure all of the right of way. So at that time all of the right of way had to be purchased for the entire project otherwise we would not have been able to advertise the project. Only after then did the project then get cut up into three different portions.

Alderman O'Neil commented that he wanted to applaud the department as well as the consultant, we hit some curves in the road on this project factors well beyond our control. We got construction pricing from the cost of steel going through the roof, to the cost of oil and gasoline going up and this is whether it is running the equipment out there or asphalt, a lot of oil based product used in this. That was something that was beyond anyone's control and I applaud the concept the approach that was taken tie the western end of our project to the state project I do think there was some efficiencies there. Secondly I do want to comment that just today I went from Canal and Granite and got across without any problems all the way to Main Street and headed south on Main Street and that's been typically of this...even in its peak when there was all kinds of construction activity out there and I think all involved...again the City, the consultant, the state, the contractors...all should be applauded for that. I haven't had a complaint about people being disrupted on Granite Street. The traffic management plan has been outstanding, outstanding. They moved an awful lot of traffic at some of the peak times on a very difficult construction project. I know we're aware...I think it's Senator Gregg who's attempting to gather some earmark funds for us...it hasn't happened yet, I think we're already received somewhere around \$15 million in federal funding for the project. After sitting down with Mr. Thomas and Mr. Sheppard...in my mind in being clear on what...talking apples-to-apples...I'm comfortable tonight in approving the request and I do think if we have some intent someday of doing Canal...Frank, correct me if I'm wrong on this...Canal to Elm Street it's going to cost us more than \$1.8 million.

Mr. Thomas stated that is correct.

Alderman O'Neil stated I know I said that already...I want to be clear on that because last week there was confusion over Canal and Commercial Street...I led to some of the confusion. So, I know Alderman Osborne would like to make a motion but.

Chairman Garrity stated I'm going to ask Mr. Sherman for funding...if there's any questions on funding.

Mr. Rank Sherman, Interim Finance Officer, stated we talked about this project two or three weeks ago with Frank and the Mayor and at this point I think you're only option is to bond the project. I know there's a possibility there may be future federal dollars that may come to light and may be able to go to the project but in the meantime in order for Frank to proceed. The recommendation would be to authorize the \$5.3 million, authorize the bonding...we clearly will not be going out for bonding for another two or three, possibly four years so if federal money comes in in the meantime we can reduce the authorization to bond \$5.3 and take it down by the amount of any federal funds.

Alderman O'Neil stated Frank this is the time to act on this to get it out for this construction season, correct.

Mr. Thomas stated correct. It is critical. Quite frankly we were hoping to get funds for this project last year at this time but we had the hope that there was a possibility of getting some federal funds. In order to meet the schedule completion right now the two projects and the state's project...all three of those projects are due to be completed in the spring of '08. If we move now with this project hopefully we'll have this last phase done somewhere in the summer or the fall of '08 so we are behind the curve right now but we really should be moving ahead right now.

Alderman O'Neil stated bottom line...your professional opinion...we should do this.

Mr. Thomas stated I feel that we have a major investment in Granite Street, we're looking at it as the Gateway into the City, the new gateway it is...the state has come up with \$35 million and to stop is short without going up to Elm Street I think would be a mistake.

Alderman O'Neil stated Mr. Chairman if you're looking for a motion I'll make a motion.

Alderman O'Neil moved to recommend approval. Alderman Duval duly seconded the motion.

Alderman Gatsas stated let's understand it clearly. I'm not opposed to the project from the bridge to Canal Street because when I look at this project excluding the railroad the cost of that piece is \$2.5 million which looks like it's almost two-thirds the size of Canal to Elm and that's not a facelift that you're doing from the bridge because it's \$3.48 million which includes \$800,000 for the railroad so that about \$2.6 million and I look at that piece and say that that's not a facelift that's

truly acquisition from MUR and a bunch of other heavy construction work and it's only \$600,000 difference for a piece that's one-third the size. So, the cosmetics of it I don't know what that change is for landscape coming into Manchester going up Canal Street but it certainly...maybe Randy can help me. What is the difference on a bonding of \$1.8 off the \$5.3 or somewhere around \$3.5...what's \$1.8 million in bonding costs?

Mr. Sherman replied we typically calculate the bonding at typically at about either seven to eight percent per year. So, you'd be cutting the bonding almost by actually over a third by going to the \$1.8 million...taking out the \$1.8.

Alderman Gatsas asked what is the cost on the tax rate?

Mr. Sherman replied oh probably you're less than a penny.

Alderman Gatsas stated a penny here and a penny there adds up to a dollar.

Chairman Garrity asked any further discussion, gentlemen and called for a vote on the motion. The motion carried with Alderman Gatsas duly recorded in opposition to the project from Canal to Elm Street.

There being no further business to come before the Committee, on motion of Alderman Duval, duly seconded by Alderman O'Neil, it was voted to adjourn.

A True Record. Attest.

Clerk of Committee